


CERTIFICATION

I hereby certify the attached to a true and correct copy of the unapproved Minutes of the May 20, 2013 Regular Meeting of the Camden County Municipal Utilities Authority. It is anticipated that these minutes will be adopted by the CCMUA's Board of Commissioners at the June 15, 2013 Regular Meeting.



Kim Michelini
Authority Secretary

THE CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

MINUTES OF THE REGULAR MEETING HELD ON MAY 20, 2013

The Regular Meeting of The Camden County Municipal Utilities Authority was called to order by Chairman Brennan at 6:00 P.M. The meeting was held at the Administration Building located at 1645 Ferry Avenue, Camden, New Jersey. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|--------|
| Commissioner | Bresch | - | YES |
| " | Burley | - | ABSENT |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Swartz | - | ABSENT |
| " | Wu | - | ABSENT |
| " | Young | - | YES |
| Chairman | Brennan | - | YES |

STAFF PRESENT:

Andrew Kricun, Executive Director
Laurence E. Rosoff, Solicitor
Wayne Planamento, Chief Financial Officer
Robert Cornforth, Director of O&M

Kim Michelini, Authority Secretary
Alisa Smith, Secretarial Assistant

CONSULTANTS:

Jose Calderon, T&M Associates
Bob Serpente, D&B/Guarino

OTHERS PRESENT:

Chairman Brennan read the 'Chairperson's Commencement Statement' acknowledging that proper notice of this Regular Meeting setting forth the date, time and place of the meeting has been prominently posted on (1) a public bulletin board located in the lobby of the Administration building (2) mailed to the Courier-Post and Inquirer and (3) filed with the Clerk of Camden County on February 13, 2013 as set forth in its annual schedule of meetings, in compliance with the Open Public Meetings Law.

ADOPTION OF MINUTES:

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt the Minutes of the Regular Meeting held on April 15, 2013. There being no question on the motion, a roll call was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|---------|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | ABSTAIN |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brenan | - | YES |

The motion was carried.

EXECUTIVE DIRECTOR'S REPORT:

I) **ITEMS FOR DISCUSSION:**

Mr. Kricun noted for the record that Commissioners Burley, Swartz and Wu reported that they could not make tonight's meeting and sent their regrets.

A) **Administration:**

- 1) Environmental Management System – May 2013 Report
Commissioner Bresch asked for an explanation as to the recent odor complaints. Mr. Kricun stated that the matter would be discussed in closed session.
- 2) DRBC Required PCB Trackback Study
- 3) Update on Proposed Environmental Regulations
Commissioner Bresch asked if there was an approximate cost to the CCMUA associated with the proposed regulations concerning the combined sewer overflow systems. Mr. Kricun noted that the public hearing on the matter is scheduled for tomorrow at the CCMUA at 3:00pm. He acknowledged that there is a cost, however, this permitting cycle

is to develop a plan to operate and maintain Camden City's combined sewer system. The NJDEP is considering the CCMUA's plant and the City's combined sewer system as part of one global system. The initial permit will require us to develop a plan on how to optimally operate and maintain the both systems to reduce overflow events. It will also require that a capital plan be developed to upgrade the combined sewer system. The costs for this first cycle is expected to be approximately \$200,000 - \$250,000 for a planning study. Once the planning study is approved by the State of New Jersey, a time line will be established to design and construct the improvements that are identified. For Camden City's sewer system, this portion could be very expensive which is where the CCMUA would seek to divest itself from these responsibilities as the CCMUA does not own the City's system.

Regarding the DRBC's proposal requirements for nutrients, Mr. Kricun explained that in order to accomplish this, the CCMUA would have to add another phase of treatment; tertiary treatment, which could cost tens of billions of dollars. He added that it was not unreasonable to think that these requirements could be in place in the next 3-4 years. The Delaware River is not swimmable or fishable and the Delaware River Keeper will seek regulations to make it so. The next step is to increase the dissolved oxygen content in the river. The dischargers will argue that it isn't just the point source discharges (like the CCMUA) but there are also non-point source (runoff) that contribute to this issue. However, the point source dischargers are the easiest to go after because we are big, identifiable and have deeper pockets. He added that with time for construction, etc, it is not unreasonable to think that the plant could face expansion in the next 10 years.

Regarding PCB's, it appears that, at the moment, the DRBC and the NJDEP are allowing us to work with industries as opposed to making upgrades to our plant. There currently is no way to treat PCB's; only prevent them. The Delaware River Keeper has taken the position that USEPA should set numeric limits in the hopes that this will force the invention of a method to treat for PCB's.

Chairman Brennan asked if the City was aware of the proposed changes in regulation to which Mr. Kricun replied that Pat Keating, Public Works Director and Uzo Ahirakwe, the City's Engineer. Chairman Brennan suggested that we meet with the Mayor to advise them of the proposed changes. Mr. Kricun agreed that this was a good suggestion, adding that he proposed to the City that it makes more sense for one agency to prepare the required report and since Camden City and Gloucester City are combined sewer overflow systems feeding into the CCMUA's system, the CCMUA will take on this task on their behalf and at our expense. The CCMUA can cover the costs associated with the planning side of this issue, however, the costs associated with the construction and upgrades is another issue.

Chairman Brennan asked if would be appropriate, given the potential for hundreds of billions in capital costs as a result of these regulations, if the CCMUA retained a lobbyist to assist us in this matter. Mr. Kricun explained that the CCMUA along with the other dischargers, have retained the firm Manko, Gold, Katcher, Fox, LLP of Philadelphia to assist us. The Philadelphia Water Department, CCMUA, Wilmington, DuPont, Sunoco, Rohm & Haas, and others have collectively retained this environmental law firm to represent us with the PCB issue and now with the nutrient issue. It may be a matter of last resort. The nutrient matter could result in litigation from the River Keeper against the USEPA to force them to set limits such that the Delaware River is swimmable and fishable.

Commissioner Engelbert commented that while setting such limits and forcing the CCMUA to add tertiary treatment to its process, our discharge to the river would be improved. However, there are other combined sewer overflow points that are putting raw sewage into the river which means that there will be a push to add storage capacity, at hundreds of billions of dollars, to these combined sewer systems.

Mr. Rosoff commented that there is litigation filed in federal court by the coalition on the PCB matter which, however, has been suspended for the moment.

- 4) Utility of the Future Task Force- Report submitted to US Congress
- 5) SJ Power Cooperative Electricity Pricing Update

B) Engineering:

Chairman Brennan asked for an update on the Camden CSO Project/Birdsall (design engineer) matter. Mr. Kricun explained that Birdsall did send a formal letter notifying the CCMUA that they do not have the ability to perform the services of their contract. Therefore, their contract has been terminated. As discussed last month, the project manager left Birdsall to work at another firm, P S & S. D&B/Guarino Engineers, our construction manager for this job, was asked to retain this firm on a monthly basis

(approximately \$10,000 per month) while an RFP is issued to retain a design engineer to complete the project. It is anticipated that the project will be completed in September or October. The RFP will be issued this week with an anticipated award date of June 17, 2013. This will result in a change order to D&B's contract.

1) **Sludge Digester RFP**

Chairman Brennan asked for the status of the RFP for an engineer for the Sludge dryer. Mr. Kricun indicated that the sludge dryer would be discussed during closed session.

Commissioner Dixon asked for clarification on the approval from the State's Comptroller's Office for the Sludge Digester project; why is it needed? Mr. Kricun responded that the approval is project specific and this type of procurement- design, build, own, and operate requires such approval. This approval was also required for the solar panel and the sludge dryer projects. A pre-proposal meeting is scheduled for May 22, 2013. Chairman Brennan asked if County Counsel was involved in this RFP process and Mr. Kricun confirmed that he had spoken with Laura Paffenroth who would be attending the pre-proposal meeting.

C) **Legal:**

Chairman Brennan asked Mr. Rosoff where we stood on mediation regarding the PKF matter. Mr. Rosoff advised the Board that a telephone conference with our expert is scheduled for May 22, 2013; his report is due June 10, 2013 and mediation is scheduled for June 27, 2013.

D) **Operations & Maintenance:**

Chairman Brennan asked for a status update on the Runnemede Force Main break. Mr. Cornforth reported that he spoke with the contractor, J. Fletcher Creamer, on Friday of last week regarding this matter. Most of the material has been delivered or is scheduled to be delivered and since last month's report, an alternative method of repair was discussed and authorized. We have found that we can install tapping sleeves on the pipe and construct a bypass around the damaged section of pipe. This will eliminate the need for us to shut down the pump station, thereby avoiding a 5-10 million gallon overflow of raw sewage while the repair was in process. The contractor will mobilize the week after Memorial Day to dig the four pits needed. The tapping subcontractor will then be in the following week to install the four tap sleeves. Once the sleeves are installed, the bypass will be constructed (approx 100 ft of pipe) above ground. It is anticipated that during the week of June 10th the bypass will be activated so that the damaged section of pipe can be removed and replaced. This should be completed with no sewage overflow.

Mr. Kricun added that this method of repair was more expensive, however, it was more environmentally friendly, avoiding a raw sewage spill. Mr. Cornforth explained that we were able to put a 36 inch tapping sleeve on our 42 inch pipe and still maintain the structural integrity of the pipe. This was confirmed by the pipe manufacturer and Furmanite, the firm performing the tapping.

E) **Finance:**

- 1) Voucher Payment Resolutions - Report on Emergency Payments

II) **INFORMATIONAL ITEMS:**

A) **Administration**

- 1) CCMUA Organizational Chart – as of May 1, 2013
Commissioner Bresch noted that our Safety Director was out of work. Mr. Cornforth advised that he has returned to work.

B) **Finance**

- 1) Collections Report for April 2013
- 2) Budget Review Report for April 2013
Commissioner MacFarlane noted that the CCMUA is seeing the full impact of the fact that the sludge dryers have not been operating as designed in that the sludge and waste numbers are higher than budgeted (\$660,000). Mr. Kricun explained that some of that amount is due to the backlog of sludge that was hauled. Mr. Cornforth reported that there are 200 to 300 tons in the storage building at this time. Mr. Planamento added that included in this month's total is a \$150,000 invoice for March which was not included in March's totals. Mr. Kricun advised the Board that the dryers have been taking nearly all our sludge for the

last two weeks or so. A few adjustments were made and as a result the dryers have been averaging about the design rate. The third dryer, which had the failed shaft, is still under repair. That dryer is expected to be back in service in mid-July. Provided the dryers continue to run well and close to design, the performance test will be performed. However, the contractor has been advised that, even if they pass the performance test in August, the performance bond will not be released until we see how the dryers operate in the colder winter months.

Commissioner Bresch noted that connection fees were up this month. Mr. Kricun explained that we received a connection fee of approximately \$180,000 (45 units in Winslow). The NJDEP and CCMUA entered into a consent order whereby they will allow us to receive some additional flow from Winslow in advance of the completion of the Atlantic Basin Interceptor expansion project.

- 3) Cash Management Report for March 2013

C) Operations & Maintenance:

- 1) Del. No. 1 WPCF & Winslow STP- Operations Report (Mar 2013)

PUBLIC PARTICIPATION ON PROPOSED RESOLUTIONS:

None

OLD BUSINESS:

None

NEW BUSINESS:

A motion was made by Commissioner Engelbert and seconded by Commissioner Bresch to adopt Resolution #R-13:5-72, authorizing the execution of an agreement between the CCMUA and JWC Environmental, LLC for the supply and delivery of an electrical motor driven sewage grinder and motor controller (JWC Environmental Channel Monster or Equal) in accordance with Specification #13-08. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|-----|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brennan | - | YES |

Resolution #R-13:5-72 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:5-73, authorizing award of a Purchase Order to Air Nova for NJDEP-required air emissions testing. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|-----|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brennan | - | YES |

Resolution #R-13:5-73 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Engelbert to adopt Resolution #R-13:5-74, authorizing entering into a Shared Services Agreement with County of Camden to permit the Metro Police Department to utilize certain premises and facilities of the Camden County Municipal Utilities Authority. Mr. Kricun noted that the Board preliminarily approved this matter last month. The final agreement was received today which incorporates the Board's and Staff's revisions and concerns. Chairman Brennan

commended Mr. Kricun and Mr. Rosoff for their cooperation in this matter. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|-----|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brennan | - | YES |

Resolution #R-13:5-74 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Bresch to adopt Resolution #R-13:5-75, authorizing execution of an Intermunicipal Agreement with Winslow Township granting a Conservation Easement. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|-----|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brennan | - | YES |

Resolution #R-13:5-75 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Bresch to adopt Resolution #R-13:5-76, ratifying approval of expense vouchers as approved by the Executive Director under authorization granted by CCMUA Resolution #R-97:3-60, dated March 17, 1997. Commissioner Bresch noted a payment for switchgears and asked if there was an issue or was this general maintenance? Mr. Cornforth explained that there was an issue during a recent PSE&G power failure. A voltage surge resulted and the main disconnect failed. It has since been repaired and Henkles & McCoy has been in to test the equipment to ensure it is safe. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|-----|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | YES |
| " | Young | - | YES |
| Chairman | Brenan | - | YES |

Resolution #R-13:5-76 was adopted.

A motion was made by Commissioner Engelbert and seconded by Commissioner Bresch to adopt Resolution #R-13:5-77, authorizing payment of \$7,162,530.91 for expenses disbursed from various trust accounts. There being no question on the motion, a roll call vote was taken. On roll call, the Commissioners responded to their names as follows:

| | | | |
|--------------|------------|---|---------|
| Commissioner | Bresch | - | YES |
| " | Dixon | - | YES |
| " | Engelbert | - | YES |
| " | MacFarlane | - | ABSTAIN |
| " | Young | - | YES |
| Chairman | Brenan | - | YES |

Resolution #R-13:5-77 was adopted.

A motion was made by Commissioner MacFarlane and seconded by Commissioner Bresch to adopt Resolution #R-13:5-78, authorizing a closed session to discuss legal matters. There being no question on the motion, all Commissioners responded "aye" in favor.

Resolution #R-13:5-78 was adopted.

The meeting adjourned to closed session at 6:30pm.
The meeting returned to open session at 6:55pm.

PUBLIC PARTICIPATION:

None

There being no further business, Chairman Brennan entertained for a motion of adjournment. A motion was made by Commissioner MacFarlane and seconded by Commissioner Bresch. All Commissioners responded "Aye" in favor. The meeting adjourned at 6:55pm.

Minutes of this meeting were
approved on 6/17/2013

Respectfully Submitted,



Kim Michelini
Authority Secretary